



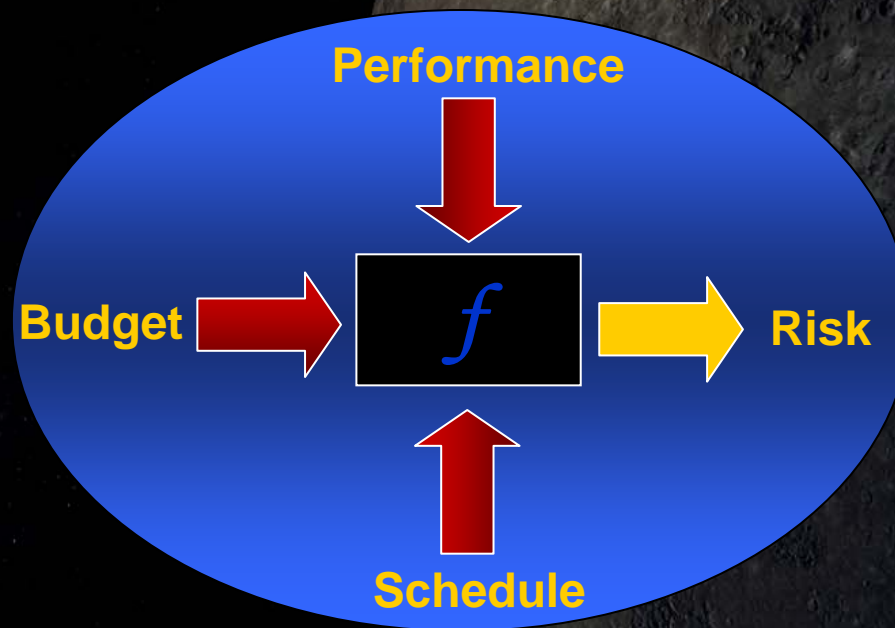
The 4th Element of Risk

12.07.05

Rex D. Geveden
NASA Associate Administrator

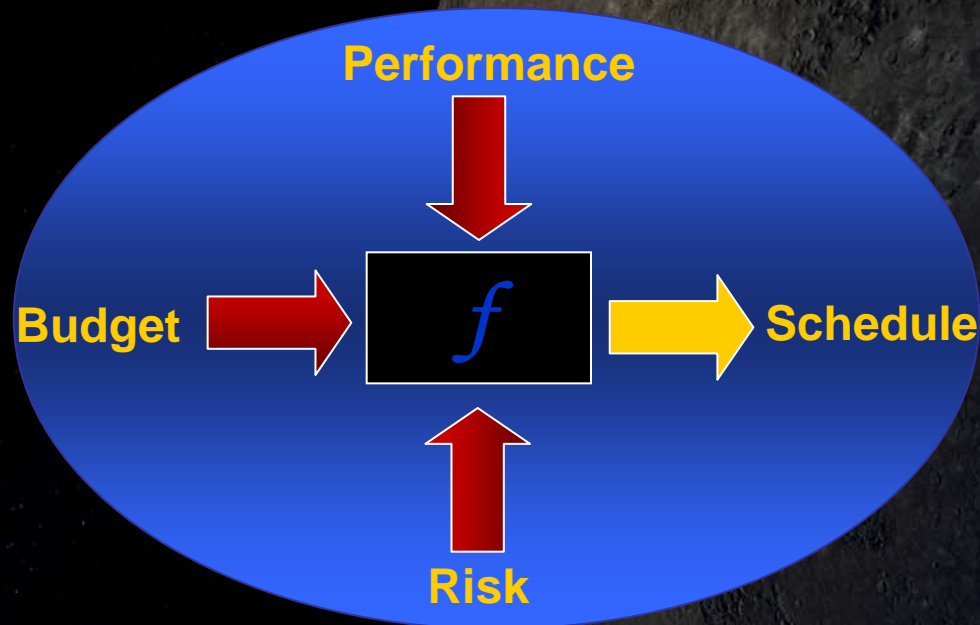


Project View of Risk (Typical)





Project View of Risk (Post Columbian)





Planning for Risk

$p(x_i)$	Risk (x_i)	Consequence $c(x_i)$	$p(x_i)c(x_i)$
0.35	Electronic Parts Problem	6 mos. Schedule slip on critical path (\$30M)	\$10.5
0.7	Test Failures	3 mos. Schedule slip (\$15M)	\$10.5
0.25	Partner Issues	Cost overrun (\$5M)	\$1.2
0.15	Inadequate Cost Estimates	Cost overrun (\$123M)	\$18.5
		TOTAL	\$40.7

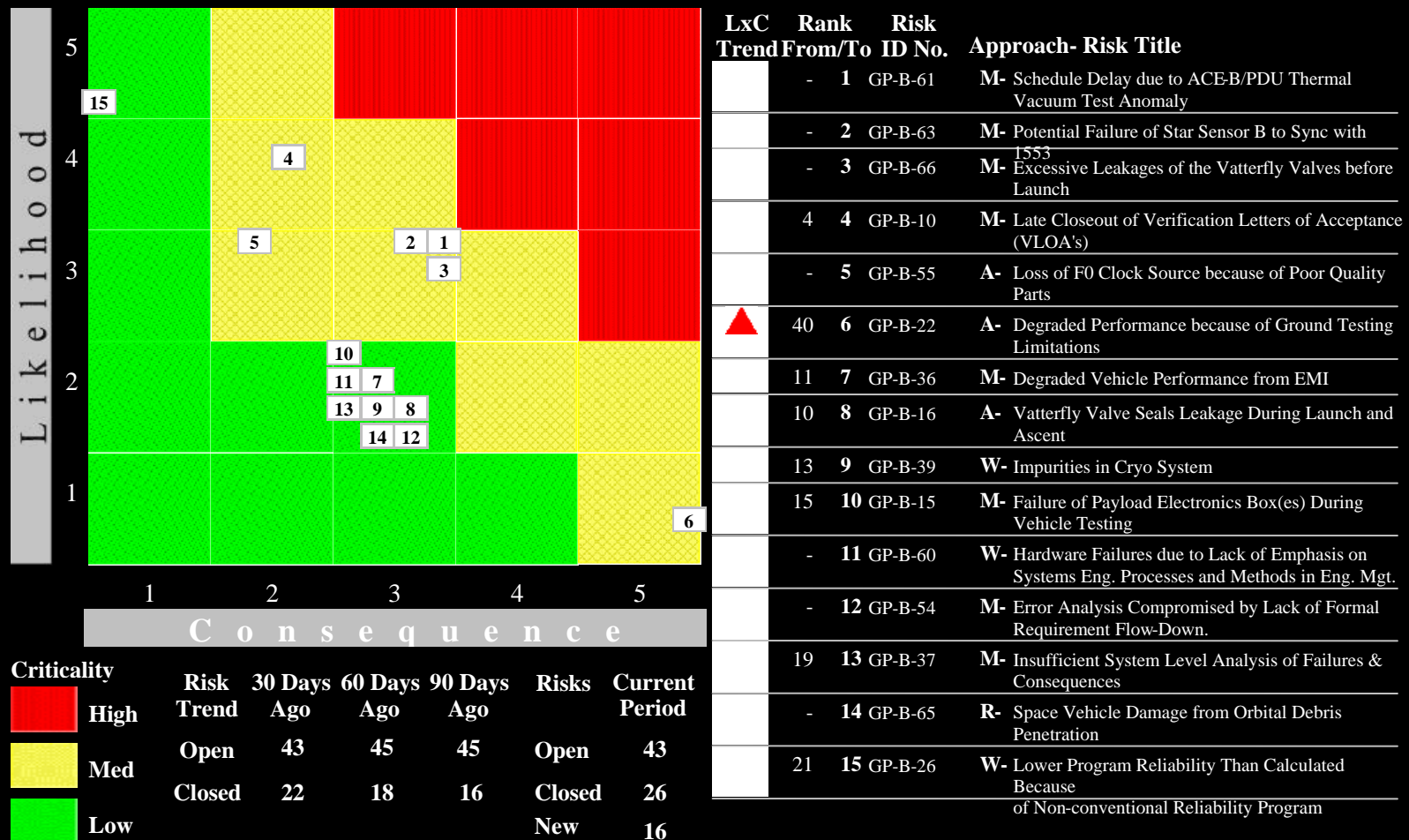
$$\text{Reserve} = \sum p(x_i)c(x_i)$$



Managing Risk

GP-B 5x5 Risk Summary From 10/11/2002 to 04/10/2003

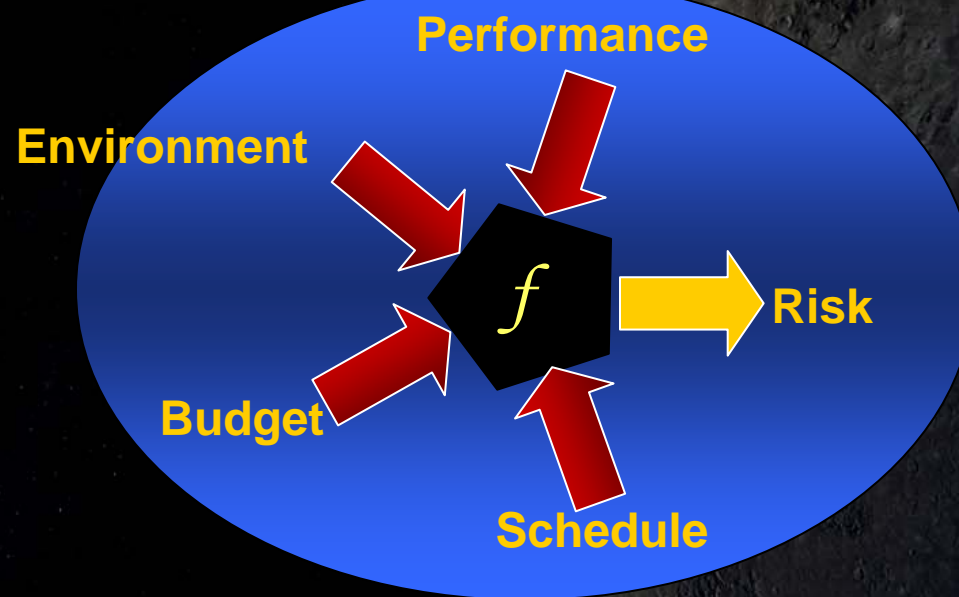
(Top 15 Risks)



Report Generated using ePORT on 04/10/2003



4th Dimension of Risk





Spectrum of Environmental Influences on Risk

Political/Budget

Policy

Strategy

Architecture

Culture

Functional



Political/Budgetary Influence on Risk

Political/Budget

Policy

Strategy

Architecture

Culture

Functional



Policy Influences on Risk

Political/Budget

Policy

Strategy

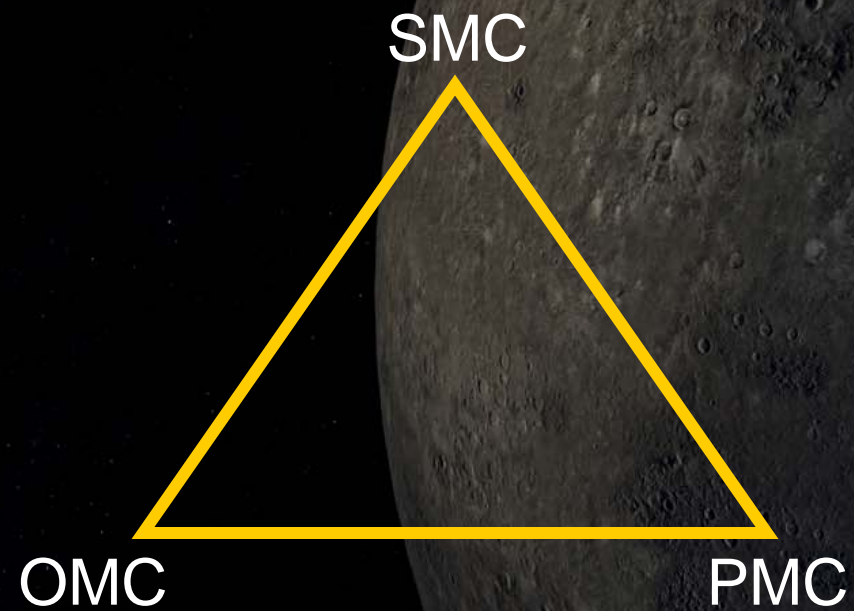
Architecture

Culture

Functional

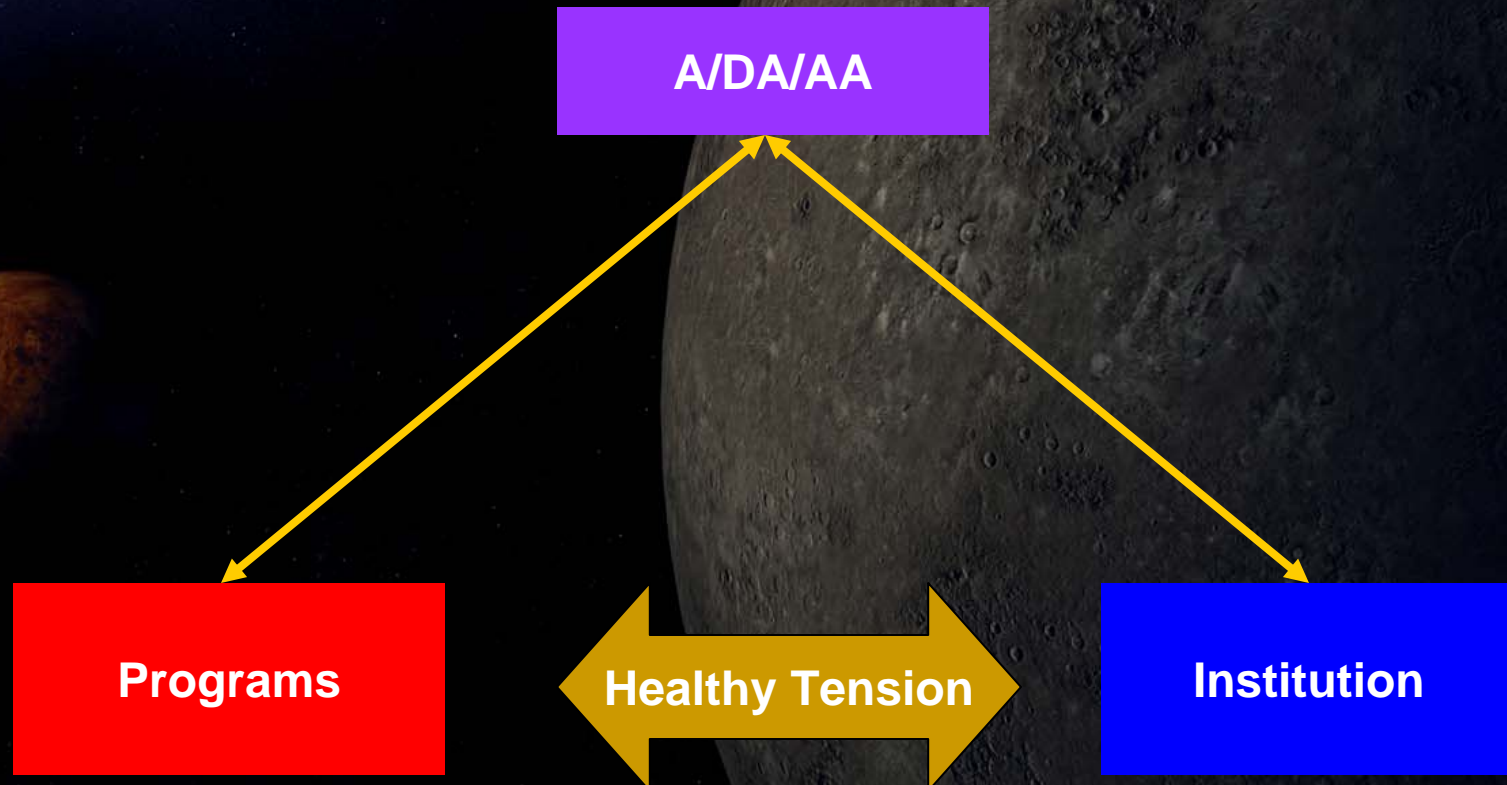


Simplified Governance



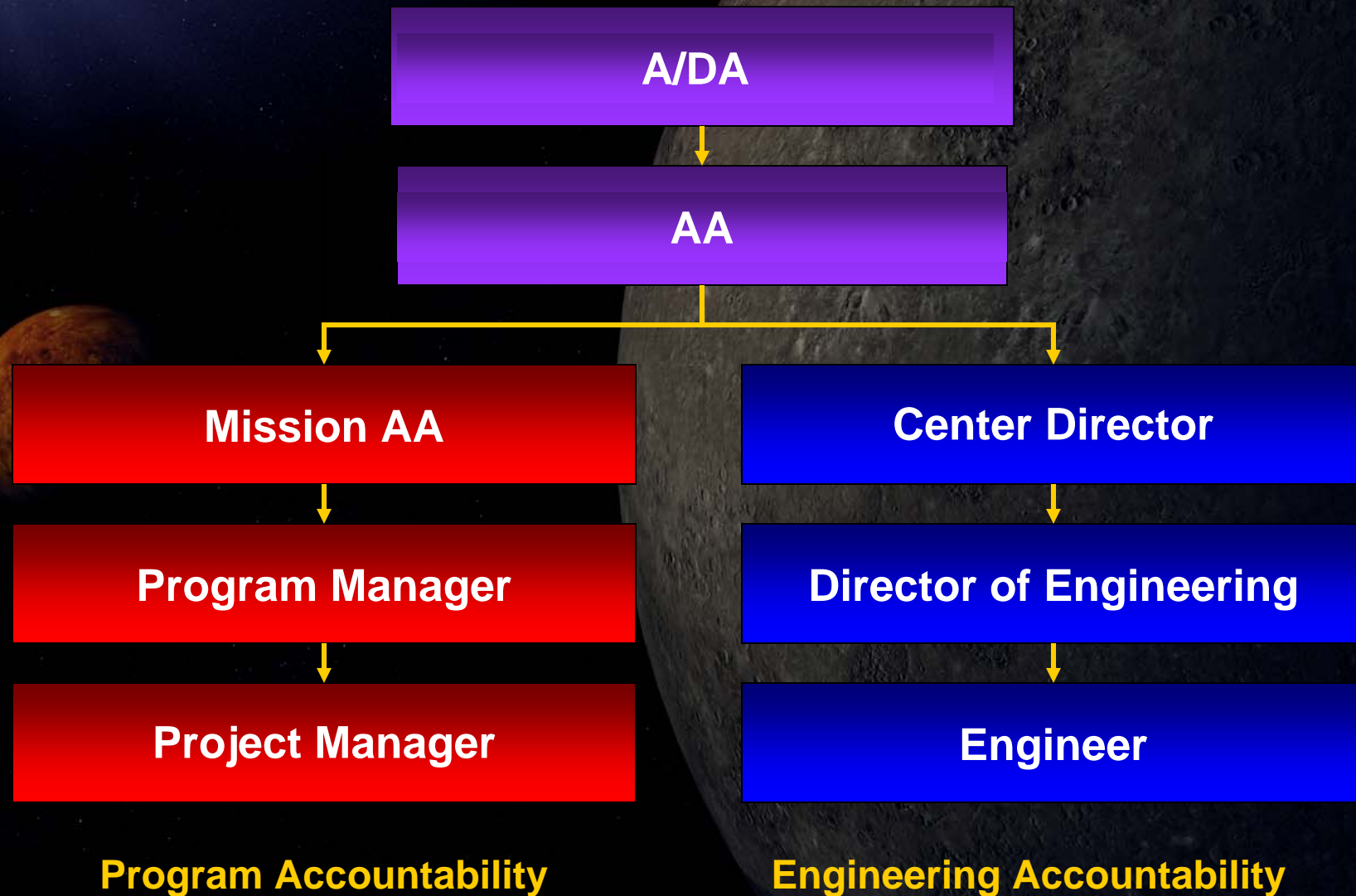


Technical Independence (iT*A*)





Program/Technical Independence





Strategic Influence on Risk

Political/Budget

Policy

Strategy

Architecture

Culture

Functional



Architectural Influence on Risk

Political/Budget

Policy

Strategy

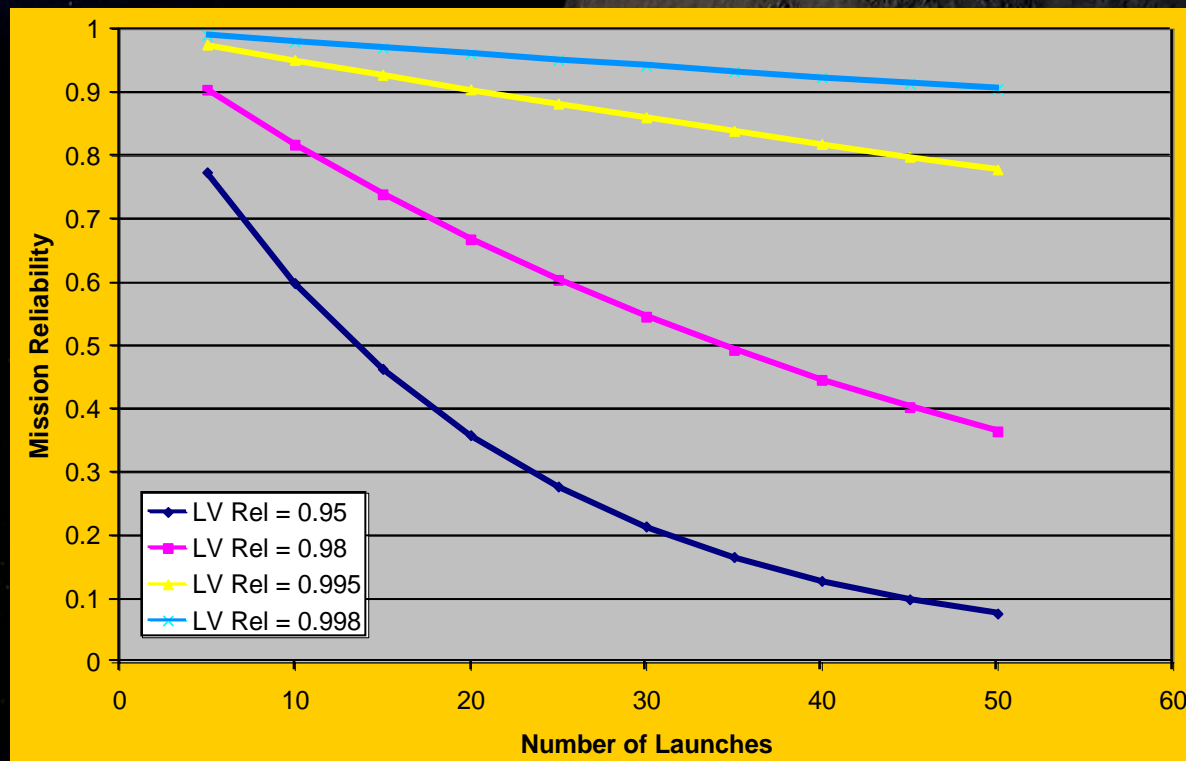
Architecture

Culture

Functional



EELV-centered Architecture





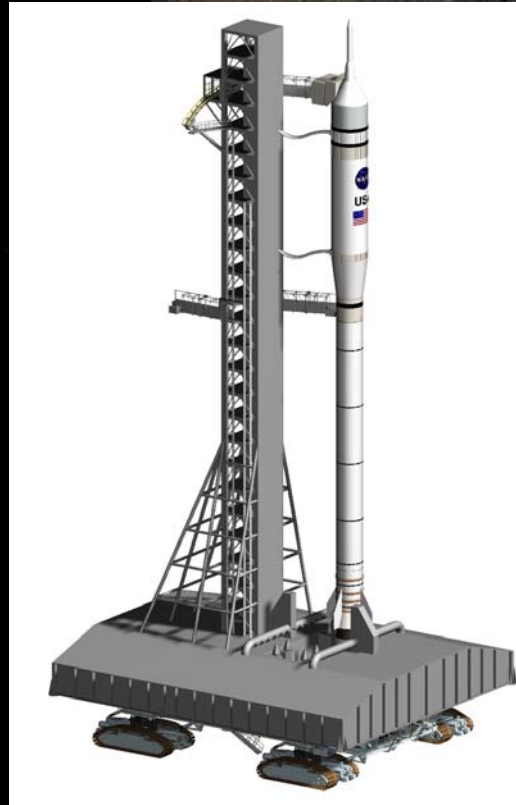
ESAS Architecture



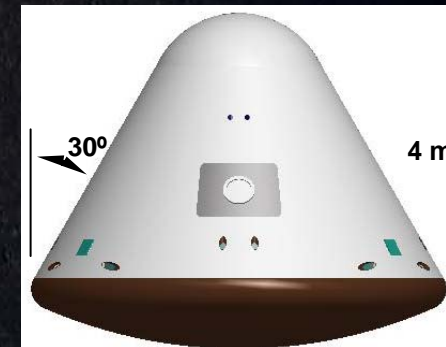
CaLV



CLV



MLP



CEV



Cultural Influence

Political/Budget

Policy

Strategy

Architecture

Culture

Functional



Functional Influence

Political/Budget

Policy

Strategy

Architecture

Culture

Functional



4th Dimension of Risk

